

Rail Service Competition Council Strategic Plan

Draft as of January 27, 2009

Forest, Paper, and Industrial Products Shipping

Goal 1: Improve access for forest, paper and industrial products to southern markets in U.S. via Union Pacific, Canadian Pacific, and/or other rail service providers.

Objectives:	Action Items:	Responsible Parties:	Estimated Costs:	Projected Deadlines:
1.1 Improve understanding of the “paper barriers” created by contractual and regulatory issues between carriers and between carriers and consumers.	1.1.1 Research and report to RSCC on the nature of “paper barriers” created by contractual and regulatory issues presently affecting rail service access for forest, paper, and industrial products shipping especially focusing successful models presently being used in other states.	1.1.1 MDT//Russ Hobbs// Whiteside// Railroads including shortlines//Carla Allen		
1.2 Investigate possible roles for state government in negotiating contracts, in creating incentives and in addressing regulatory issues to overcome these “paper barriers”.	1.2.1 Research on possible roles for state government in negotiating contracts, in creating incentives and in addressing regulatory issues to overcome these “paper barriers” especially focusing on successful models presently being used in other states.	1.2.1 Russ Hobbs//Whiteside		

Ports/Intermodal Shipping

Goal 2: Enhance access to intermodal rail service available to Montana consumers.

Objectives:	Action Items:	Responsible Parties:	Estimated Costs:	Projected Deadlines:
2.1. Identify market thresholds necessary to renew and/or expand intermodal services from both rail service and/or container providers.	2.1.1 Work with rail service providers and container providers serving Montana to clarify market thresholds necessary to renew and/or initiate intermodal service for consumers within the state. 2.1.2 Work with container providers to clarify market thresholds for expanding intermodal container access to the more consumers with the state.	2.1.1 Intermodal Subcommittee // MDT Support		
2.2 Investigate creative ways to the increase ready access to greater	2.2.1 Investigate the possibility of using salvaged intermodal containers to increase	2.2.1 Intermodal Subcommittee//GOED		

numbers of intermodal containers than is presently experienced by Montana's perspective consumers	<p>container access for Montana's consumers.</p> <p>2.2.2 Investigate the possibility of creating a state-owned fleet of intermodal containers for use by Montana's consumers.</p> <p>2.2.3 Investigate the development of intermodal loading centers in cooperation with the state's short line carriers.</p>	<p>2.2.2 Intermodal Subcommittee//GOED</p> <p>2.2.3 Intermodal Subcommittee//GOED</p>		
2.3 Create a possible incentive program to encourage carriers, container providers, and/or the Montana Board of Investments to partner in funding various solutions.	<p>2.3.1 Identify best practices solutions by researching and reporting on the successful efforts of other states in addressing similar issues.</p> <p>2.3.2 Identify interested partners among short line carriers, container providers, and investors to begin development of one or more best- practices solutions identified.</p>	<p>2.3.1 MDT</p> <p>2.3.2 MDT//Ag Subcommittee//GOED</p>		

Agricultural Products Shipping

Goal 3: Enhance access for agricultural commodities shippers to rail service Montana's agricultural products competitive both nationally and internationally.

Objectives:	Action Items:	Responsible Parties	Estimated Costs:	Projected Deadlines:
3.1 Improve access to affordable rail service for Montana's agriculture producers in turn improving market access for agricultural products both nationally and internationally.	<p>3.1.1 Investigate new partnerships and ways to increase and improve access to UP, CP and Montana shortlines.</p> <p>3.1.2 Increase and improve competitive access to Montana shortlines; include wheat and grain rate mediation process</p> <p>3.1.3 Investigate ways to develop and/or redevelop loading facilities for agriculture products across Montana.</p>	<p>3.1.1 Shortlines; Buyers and shippers of potential products;</p> <p>3.1.2 Ag Subcommittee to ID pulse growers and to work with the Montana Wheat and Barley Committee, Dept. of Ag and Ag Coalition</p> <p>3.1.3 Montana Ag Coalition: Farmers Bureau, MGGA, WIFE, Montana Farm et al, UP, CP</p>		
3.2 Improve access to intermodal rail service for Montana's specialized	3.2.1 Develop partnership between shortlines and Class 1 carriers to	3.2.1 Ag Subcommittee//Input from MDT and GOED		

agriculture producers in turn making agriculture products more competitive nationwide.	improve and expand intermodal access.			
	3.2.2 Explore successful models for expanding intermodal access in other states.	3.2.2 MDT		
	3.2.3 Explore the issue of haulage rights as it has been successful addressed in other state models.	3.2.3 MDT		
	3.2.4 State rail authorities: Research and report on State-level organizations that have worked to preserve rail infrastructure and enhance rail service through rail authorities. State rail authority: develop information relevant to issues involving a state rail authority.	3.2.4 MDT and State Rail Authority Working Group: Carla Allen, Evan Barrett, Larry Bonderud, Russ Hobbs and Jim Lynch.//MDT		
	3.2.5 Revisit the issue of "Common Carrier Obligations" presently being reviewed by Congress.	3.2.5 Whiteside and Associates		

Coal Shipping

Goal 4: Enhance access to both local, short line rail service, and national rail service for Montana's coal keeping it competitive in both the booming national and international marketplace.

Objectives:	Action Items:	Responsible Parties:	Estimated Costs:	Projected Deadlines:
4.1 Explore ways to increase existing rail service capacities and to develop new rail service capacities for coal shipments to both growing national and international markets.	4.1.1 Develop an effective partnership with BNSF to address the need for expanding rail service capacities for Montana's growing coal industry.	4.1.1 Coal Subcommittee		Ongoing
	4.1.2 Develop new partnerships to address the growing need for spur development from new and/or expanding mining sites to	4.1.2 Governor's Office of Economic Development and Energy and Promotion Division		Ongoing

	<p>national rail service providers.</p> <p>4.1.3 Provide information to the Governor's Office of Economic Development to bring pressure on the inactive STB to address issues concerning shipping rates, etc.</p> <p>4.1.4 Provide information to the Governor's Office of Economic Development office to bring information to the legislature to quantify the impact of Montana's Coal Severance Tax on the competitiveness of the state's coal.</p>	<p>of Commerce</p> <p>4.1.3 Incorporate Coal with Ag in the Final Offer Arbitration involve Sen. Tester; Terry Whiteside, Alliance for Rail Service Competition</p> <p>4.1.4 Center for Applied Economic Research - Scott Rickard Study</p>	<p>Already expended</p>	<p>Ongoing</p> <p>January 09</p>
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